

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Colorado (Ms. DEGETTE) is recognized for 5 minutes.

(Ms. DEGETTE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LEE) is recognized for 5 minutes.

(Ms. LEE addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

#### TAX CUT UNFAIR TO HISPANIC POPULATION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 2003, the gentleman from Texas (Mr. RODRIGUEZ) is recognized for 60 minutes as the designee of the minority leader.

Mr. RODRIGUEZ. Mr. Speaker, last week, the President signed into law one of the largest tax breaks ever for the wealthiest Americans. He did so at a time when unemployment is on the rise. Since President Bush took office, approximately 2 million jobs have been lost, and the Hispanic community has been hit the hardest with a rising unemployment rate of 7.5 percent compared to 6 percent for the general population.

People want to work, but the jobs are simply not there. Instead of pursuing policies to stimulate the economy and create jobs, the administration and the congressional majority have pushed through a plan that includes a tax cut that does nothing to address any of these financial problems and worries that are facing millions in this country.

While making false promises to create jobs and stimulate our economy, these tax cuts are targeted primarily at large corporations and the wealthiest of Americans. Those that are earning \$1 million a year will see a tax cut of over \$100,000. Half of all Latinos in this country report having an annual household income of under \$30,000. Under the Bush tax plan, some of these wealthy individuals will see a tax break that equals three times what these families make a year.

We understand that people who pay taxes deserve a break, but we have gone from record surpluses to skyrocketing deficits. We cannot meet our obligations to support critical health and education programs. And a tax cut this size does not make any sense whatsoever. We have chosen also not to pay for the war. We have chosen to put it on the backs of not only those that are our young people out there defending our country but on the backs of our children.

We now also find that in addition to favoring the wealthiest of this country, the administration's tax plan excludes those who need the assistance the

most, low- and moderate-income families. Families making between \$10,500 and \$26,625 a year are now, under law, excluded from collecting the \$400 child tax credit. Those who could benefit the most from the tax credit will in fact get nothing.

□ 2000

Mr. Speaker, I have difficulty comprehending the philosophy that brought this about, trying to exclude the ones at the bottom of the totem pole. While others enjoy a tax cut, these individuals who make under \$26,625 will not. The median income in my district is \$22,000 so more than half of my constituency will not see a cent. For Hispanic families, this means that roughly 1.6 million, or 30 percent, of all Latino families who otherwise would have been eligible for the tax break are now no longer going to qualify. The child tax credit has long been crucial for Hispanic families, working families, who are deeply affected by the tax burden.

While 85 percent of Latino males are in the workforce, the largest percentage for any ethnic group in the country, many Hispanics work in seasonal, low-wage jobs, and the majority of Hispanics do not participate in the employer-sponsored retirement plans, nor do they own stock. How can the administration argue that this plan helps working men and women when working families are the ones that are left out?

The Latino community may not be one of great wealth, but we are the future of the economy and the workforce, and the Latino community deserves the respect of our leaders and deserves a fair share of any proposed tax relief plan, not just the crumbs left over from the Nation's wealthiest few. What we can do is, we will fight to fix the wrongs of this tax bill not only for Hispanic families, but for all Americans.

I am pleased to be here tonight on behalf of the Hispanic Congressional Caucus, and I am pleased to have members of the Congressional Black Caucus with me.

Mr. Speaker, I yield to the gentleman from Illinois (Mr. DAVIS) and I thank the gentleman and the Congressional Black Caucus for also participating tonight and discussing some issues that confront our community.

Mr. DAVIS of Illinois. Mr. Speaker, I thank the gentleman not only for being here tonight, but also for the tremendous leadership you provide as chairman of the Hispanic Congressional Caucus. I have been pleased and delighted to note many evenings when I have seen you talking about not only health care, but talking about education, talking about the needs of people across the board; and I have been gratified that all evening we have seen an array of individual Democrats take to the floor, and talk about this tremendous tax break that we saw just before we left to go on vacation, go to our districts over the Memorial Day holiday.

It is amazing to me that we have heard about Leave No Child Behind when we have left millions of children, just with this one act, this one tax break for the wealthiest 1 percent, the wealthiest 5 percent, we have left millions of children behind, all at one time.

It is amazing also to hear people who do not want to pay taxes. I do not know how in the world we expect to have the kind of country, to have the kind of democracy to provide the kind of services without individuals paying taxes. Oliver Wendell Holmes supposedly said one time that taxation is the price that we pay for a civilized society. And then to hear people talk about those who do not pay much do not need breaks, or to hear colleagues suggest that because individuals are not in a position to pay much in the way of taxes, or as much as some others, that they do not deserve.

We hear talk about stimulating the economy. Whoever heard of stimulating an economy by giving back to the wealthiest individuals, who could not possibly have a need to spend any more money.

When I was a kid growing up, my mother used to make soup, and if she wanted to stimulate that soup, she would take her spoon and go down to the bottom of it and stir things up. When she would stir things up, the flavor would ignite and the aroma would penetrate the whole house.

So it would seem to me if we really want to shake up the economy, we would go down to the bottom, provide something for those people, raise the minimum wage, put some money in the pockets of individuals who are trying to make it. If we do that, then it is clear to me that those individuals are going to take the additional money that they have and go to the supermarket and buy milk for their children, or you are going to find people purchasing Pampers for the babies, or they are going to run to the barber shop and get a haircut or go to the beauty shop and get their hair fixed. Those individuals are going to put money back into the economy. If we have money in the economy, it means that money is going to go from one place to the next place to the next place.

I have always been told that money in neighborhoods is pretty much like blood to the body. If all the blood runs out of the body, you are going to die. Or if too much of it is in one part of the body, you are going to get sick because it is not circulating properly. So if too much of the money goes to one segment of the population, then of course the economy is going to get sick. If we have a sick economy, as we do right now, somebody is going to suffer. It really means that all of us will suffer because we have an imbalance.

But if we have things moving around, if those at the bottom are running out to the store to make their purchases, then the guy at the supermarket gets

the money and can go and pay down on a house or can get a mortgage. Now we have got things percolating. We have got things moving. I think that is really what we need to be doing and not talking about this trickle-down, failed economic theory that we know does not work.

I mean, once again, coming from the top down and saying that we are going to get some investments, after we have had three tax cuts. We have had three breaks, three cuts, and rather than stimulating job development, we have actually lost 2.7 million private sector jobs since President Bush took office. That is 2.7 million private sector jobs.

So what is there that is going to cause one to believe that another tax break is going to stimulate the economy in such a way that we can create jobs? And so I agree with the gentleman that what we really need are policies that work, policies that will stimulate movement.

I represent a congressional district that has lost more than 120,000 good-paying jobs, manufacturing jobs, over the last 20-30 years. Many of those jobs went by way of NAFTA. They went by way of Fast Track, went to other places, and now people are unemployed wondering what it is that they can do. I just do not have faith in the trickle-down theory. It has not worked, and will not work. I do not think there is any way it is going to work, and we have to have a new order.

Mr. RODRIGUEZ. Mr. Speaker, the gentleman has done a beautiful job of explaining our situation that we find ourselves in, and I want to share with Members that one of the things that we also understand in this country is that our infrastructure is hurting. One of the good ways of stimulating the economy, and we know from the last time we passed the transportation bill that there are \$300 billion to \$600 billion that are still needed for the dams that are almost 60 years old. Our bridges are in jeopardy, our infrastructure in this country where we could not only create jobs, but we could also invest in the next generation of kids instead of handing to them the debt that we are creating, but also handing them the infrastructure that is decaying.

We had a bill that would have allowed us to invest in schools. Our schools are 40-50 years old, built prior to the microwave, and we know that schools need more outlets for computers. There is a need to do that, and yet we have chosen not to do that. There is a real need for us to look at how we could have turned the economy around by creating jobs.

I had today a lot of contractors that were lobbying up here about the difficulties that they are having with construction jobs. Here was a great opportunity to invest. Not to mention in homeland security, there is a need where our Federal buildings, our State buildings, there is a need to look at them from a national defense perspective, to build the things that are need-

ed to make sure that they are more secure. They need the resources, and we have not allocated the resources in homeland security which could create jobs. We need to ensure that our bases throughout the country have adequate construction which allows them to be secure.

The gentleman also mentioned the importance of leaving no child behind. As the gentleman well knows, we have already left children behind. The bill that the President promised, he promised this country that his priority is education, is \$9 billion behind his funding. There is a real need to concentrate on those programs which would have allowed that money to be turned around.

As we cut taxes on the Federal level, I know back home in Texas they are cutting taxes, too. Yet the local communities, the local school boards, the local counties are having to look at how are they going to be paying for securing our cities, what are they going to be doing to secure our Nation.

I wanted to thank the gentleman for making those comments. We have misprioritized the tax cut, and I know this administration, their whole first year was spent on the priority of a tax cut based on the false premise of a supposed surplus that was going to continue for the next unforeseeable future. We had it under Clinton, but under this administration right after they came, we started downhill, and it has continued.

□ 2015

It has continued. Now they come back and now they have another tax cut, and now we are hearing that they might even come back next year for another tax cut.

Mr. DAVIS of Illinois. I have no doubt that they are going to come back. That is because there seems to be a feeling, or they have some notion, that somehow or another you can get something out of a turnip other than turnip juice. If you do not make the right kind of investments, put people to work and balance things in such a way that everybody can benefit rather than these policies where the rich just simply get richer, the poor get poorer and everybody else gets squeezed; and that seems to be the approach.

I am not an expert on economics, but it is crazy to me. I mean, we look at all of the places where we need to make investments. Our infrastructure. If you do that, people are working. And if they are working, then things are being shaken up and can be moved about. If you are just waiting for something to happen from on high and say that there are these theoretical investments that we expect people to make and they may or may not make them, but you know that if people have needs and are able to take care of those, you do not have to wonder about that. You know that the guy with six children who needs milk is going to the supermarket if he has got money. That is

not a theory. That is an automatic. Or you know that children who need books to go to school, if they have got the money, that the families are going to invest in the education of their children. And so to me it is just a wrong-headed approach. It is an elitist approach. It is an approach that somehow or another does not deal with the realities of life, that is mythical, that is kind of a now you see me, now you don't. It is sort of a shell game. It is a sham. It is not good for the American economy, it is not good for the American people, and I think there is no alternative except to change it.

Of course, we know that in order to change it, we are going to have to change some of the individuals who are leading it. That is, we have got to put some different people in place so that those individuals will make different decisions. Yet we get accused of starting class warfare. I hear people talk about class warfare. I was studying something about political philosophy, and I read something that a fellow, Voltaire, supposedly said. He said that the purpose of politics as he understood it was for one group of people to take as much money as they possibly could from another group and handle it differently. That is called the Voltairean philosophy. And when you take from the poor who need the most and give to the rich, I do not know what you call that. I guess greed would be about the best way to characterize it, and I think that is a real problem. And the only way that we stop it is to change the way we not only see things but also to change the way that we do things. I think we can do that because the American people will see the difference. There is an old saying that says, Fool me once, shame on you. Fool me twice, shame on me. I do not think the American people are going to be fooled to the extent that they will allow the same policies and practices to continue because then it will be shame on us.

I think the kind of leadership, though, that you provide is going to continue to help us to move away from that and certainly the kind of leadership that the gentlewoman from California (Ms. PELOSI) provides is going to help us move away from that. And so when I see people like you and I see people like her in leadership displaying the kind of energy, the kind of tenacity that you display, then yes, there is hope not only for this House but there is also hope for America. It has been my pleasure to join with you this evening.

Mr. RODRIGUEZ. I want to thank the gentleman from Illinois (Mr. DAVIS) for joining me here tonight. We have also been joined by our leader. I know she has been working all day and just has come from a major meeting that she was attending tonight. I do want to thank her for joining us tonight. We have been talking a little bit about our concerns with the tax cuts.

Mr. Speaker, I yield to the gentlewoman from California.

Ms. PELOSI. Mr. Speaker, I commend the gentleman from Texas (Mr. RODRIGUEZ) as chair of the Congressional Hispanic Caucus for calling this Special Order tonight. I am pleased to join him and our colleague, the gentleman from Illinois (Mr. DAVIS), and commend both of them for speaking out for America's children, for speaking out for all of America's children.

A couple of weeks ago, we experienced a very sad evening here in the House of Representatives. The Republican majority insisted on foisting irresponsible and reckless tax cuts on the country that were fiscally irresponsible, which instead of investing in our children indebted them for years to come. It was not bad enough that they were fiscally irresponsible, meaning that we would never be able to pay off the trillions of dollars of indebtedness that was incurred; but lo and behold 1 week later it was revealed, after the signing of the bill, that children of minimum-wage-earning parents did not get the additional child tax credit. How could it be that we would say to the children of working families in our country that their parents do not make enough money for them, the children, to deserve a tax credit? The very people in this body who oppose raising the minimum wage say to minimum wage earners, You don't earn enough for your children to get the tax credit. Think of the irony of that, the Catch-22 of that. Not only do those children not get the tax credit but also the children of our men and women in uniform, many of whom will not qualify for this additional tax credit for their children.

Earlier this year before the hostilities began in March, I had the occasion and privilege to visit our men and women in uniform in Kuwait, in Qatar and in Turkey. I saw firsthand their courage, their patriotism, and the sacrifice they were willing to make for our country. How do we tell them, many of whom have left their jobs but do not make enough money to qualify, that their children are not worthy of a tax cut, when they are risking their lives for our country? The Democrats have a better idea. Democrats under the leadership of the gentlewoman from Connecticut (Ms. DELAURO) are offering a package to help hardworking American families and a package that will create jobs. It will begin to repair the damage, which is a long road from the reckless and irresponsible tax package put forward by the Republicans. Overall, the Rangel-Davis-DeLauro bill will provide greater tax relief to the families of 19 million children in America, families making the minimum wage who are struggling to make ends meet.

In addition to restoring the child tax credit provision that Republicans dropped in the dark of night, the Rangel bill would make the child tax credit available to 1.7 million more families by providing that those earning \$7,500 or more could get the credit.

And now to our men and women in uniform. Under the Democratic pack-

age, the men and women in uniform, our package would make sure that our men and women in the military are not denied tax relief just because they are fighting in Iraq. Specifically, the bill would count combat pay for purposes of the child tax credit. Specifically, I repeat, the Democratic package would count combat pay for the purpose of figuring the child tax credit. Republicans enacted a \$350 billion tax bill, and growing; and yet they could not find room to make sure that our men and women in combat are able to take full advantage of the child tax credit. That is downright unpatriotic. I go a long way before I would say that about any action. The Democratic provision will create jobs and build a strong economy. It is the direction we should have gone, and I wish that this House had accepted the gentleman from New York's proposal to have unanimous consent to bring it up on this floor today and to have the debate.

Let us get back to those men and women in uniform again, though, and their children. Some of them that I visited had left their children behind. Other Members have traveled there since the war has ended; and they have told me of meeting some in the military, women, who have children 2 and 4 years old whom they had left at home because they were called to duty. They answered the call and now we are saying to them, Sorry, your combat pay does not enable you to get the tax credit for your children. I think it is our patriotic duty to them, for this Congress to be responsible and accountable for paying our debts. It is an act of patriotism to be fiscally sound and to pay our debts.

So my criticism of this bill is, in the larger sense, that it is fiscally irresponsible. We are on a binge of irresponsibility and recklessness when it comes to the tax cuts. The sad part of it is, it is a missed opportunity, Mr. Speaker, because if the Republicans wanted to have a tax cut that would create jobs, that would be fiscally responsible and would be fair, they could have. All they needed to do was look to the Democratic package, which is just that, fair, fiscally sound and fast acting in terms of creating a minimum of 1 million jobs this year. They chose to miss that opportunity and in doing so, I am choosing my words carefully, to insult the service of our men and women in uniform by saying, It's just not enough for you to get the tax credit that other children whose parents make more money than you do are entitled to.

Mr. Speaker, I again commend the gentleman from Texas for his leadership. He has been a champion for America's working families; and for our children, he has been a champion for the future.

Mr. RODRIGUEZ. Mr. Speaker, I want to personally thank the gentlewoman from California for her leadership, and I want to personally share with all Americans throughout this

country that she has been a breath of fresh air to all of us. I want to personally thank her because she indicated we wanted to make sure that if we were critical about anything, we wanted to make sure we had an alternative and we have had an alternative every time. I want to thank her personally for the hard work that she has done.

□ 2030

Ms. PELOSI. If the gentleman will yield further, and our alternative is paid for?

Mr. RODRIGUEZ. That is right. Not only good alternatives, but alternatives that work and that are responsible. So I thank the gentlewoman for her leadership and coming out here tonight to join us.

I want to just share with all Americans that our leader, the gentlewoman from California (Ms. PELOSI), has been right there for us. I want to appeal to everyone to listen to the debate that is going on on the tax bill, because the debate on the tax is a serious situation. Whatever occurs on the tax bill determines what occurs on everything else. The tax bill is about the budget. The budget determines our priorities. So when this administration first came here in their first year, one of their first priorities and their main priority was the tax cut.

So, as we talk about education, as we talk about health care, as we talk about the veterans, the reality is that the number one priority was the tax cut. Everything else is secondary. So when we had, that first year, that \$1.3 trillion tax cut based on anticipated surpluses, then that started the downturn. That did not create any jobs; in fact, it was just the opposite.

This year, the same. They came at it with another tax cut. It seemed to be the only approach to any problem that exists out there is a tax cut.

As we well know, this particular tax cut is also an irresponsible tax cut because it is coming at a time when we are still at war, we still have not been able to reach out and seek out bin Laden, we still have a serious situation in Afghanistan, we have a critical situation in Iraq with our soldiers out there, and we still have a situation also that is serious in North Korea, as well as other areas.

So, as we begin to dialogue, instead of solving problems, and I feel very strongly that I get elected to come up here to solve problems, not create problems, and it seems like there was a sincere effort at not dealing with the problems that confront us, but looking at the situation and shifting away from those situations.

For example, I still feel very strongly the number one and two issues in this country are education and health care. Now, because of this administration, it is the economy. But those two issues have not been resolved. We still have a problem with education.

Although the administration went around campaigning for the presidency

on education, he is going to have to come back and campaign again. I am wondering what he is going to be saying, since the same bill that he signed is \$9 billion behind what he indicated he was willing to shake hands on and assure that no child would be left behind. Well, it is \$9 billion behind and it has left a lot of kids behind. Yet their priority seems to be the tax cut, and after that we find ourselves in debt and in some serious problems.

Let me share with you as I talk about the debt that I have also received correspondence from Raul Yzaguirre, Executive Director and CEO for the National Council of La Raza. In his report I want to read a couple of items on there, if I can. It is in small print, so I am going to have to put my glasses on.

But in his letter, one of the things that Raul Yzaguirre of the National Council of La Raza mentions is that regarding the President's signature on H.R. 2, the Jobs and Growth Tax Relief Reconciliation Act of 2003, a \$350 billion tax cut package, while the administration was touting this measure as an economic stimulus that would create jobs and benefit a majority of working families, House and Senate tax writers were making room for large cuts for wealthy investors.

The reality is that it is for the most wealthy of this country, instead of earmarking it for small business. Because even if you are a strong conservative and believe that the business community needs the tax cut, then you would zero in on small businesses. You would zero in on those small businesses that really create and help in the creation of jobs. Yet the reality is that the majority of those tax cuts did not go for the small businesses either.

Especially let me indicate that he also goes on to say that at the 11th hour, congressional negotiators excluded families earning between \$10,500 and \$26,625 for claiming the child tax credit increases. So we continue to have these difficulties.

I am glad that I am joined here tonight by a fellow colleague who works closely together on health care and has been a leader on health care, but I know that he also has some concerns on our tax cut.

I thank the gentleman for joining me, and I yield to the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. Mr. Speaker, I want to thank my colleague from Texas. I know how hard he works on so many issues, including health care, as well as all the issues affecting the Hispanic Caucus. I wanted to say again that I really appreciate the fact that the Hispanic Caucus has been here on a regular basis leading these special orders under your stewardship, because it is really important, I think, that we talk about not only how these Republican policies impact the general public, but also how they impact the Hispanic population.

I have to say that one of the things that amazes me about the Republican

tax bill is how they kept telling us, both the Republican leadership, the President, as well as different Republican colleagues, that this tax bill was going to be something that was going to help the average American, that it was going to stimulate the economy, that it was going to put money in the pockets of people so that they could go out and spend money and stimulate the economy, create jobs, all these wonderful things.

The first thing we read when we go home and you start picking up the papers during the Memorial Day recess after we had voted against this bill, because most of the Democrats, including the two of us, voted against it because we really thought it was not going to help the economy at all or do anything significant to create a stimulus, we read about how so many people, working people, people paying taxes, not people not paying taxes, people working, were not benefiting in any way, were not getting a dime back as a result of this so-called tax cut bill that the Republican Party put forward and that passed almost exclusively along partisan lines.

Now what I am getting from some of the Republicans is, oh, the fact that something like 12 million children or families with those 12 million children would not benefit from this child tax credit was somehow an oversight, that this was something they did not realize at the time, and all of a sudden they realize it. I guess in the other body now we have the chairman of the Finance Committee saying he is going to introduce a bill.

Of course, we on the Democratic side have introduced a bill, but we had no doubt from the very beginning that this was the case, because we knew that the way the bill was put together it was primarily focused on the well-to-do, on millionaires, on people who were making a lot of money. Now, all of a sudden, we see all these low-income people that are not benefiting in any way.

I saw this survey that was in Sunday's New York Times, and it really pointed to two groups. I know this has been mentioned many times this evening, but I want to mention it again. There were two groups that basically were not benefiting in any way from this Republican tax bill.

It said that not only were there the 12 million children who were left behind because their parents were not making enough, I guess they were making something between \$10,000 and \$20,000 a year, but there were also 8 million other—taxpayers who would not receive any benefit from the tax cut.

I just wanted to read from this article in the Sunday New York Times, if I could. These are three groups that did an analysis of it, the Citizens for Tax Justice, along with the Urban-Brookings Tax Policy Center, affiliated with the Urban Institute, and the Center on Budget and Policy Priorities. They

found that 6.5 million minimum-wage families with nearly 12 million children would not receive the \$400 per child increase in the child tax credit contained in the new law. Then it went on to say that there are 50 million households, 60 percent of all households in the Nation, who will receive no benefit from the tax law.

You understand, these are people that are working, these are people who are paying taxes, and they are getting nothing.

I will yield back, but I just want to say it is not only the fact that it is unfair in terms of the fact that lower-income, working people are not getting any money, but it is also the fact that the gentleman and I know that if those people got the money, because of their financial situation being the way it is, they are going to have to immediately spend it on food, clothing, whatever it happens to be, because they do not have any extra money.

What better way to stimulate the economy? If you are not even looking at it from the point of view of trying to help out people who are lower income, but just from the point of stimulating the economy, would that not be the best group to give money back to, because they would undoubtedly go out and probably use the money to buy something that would stimulate the economy.

Mr. RODRIGUEZ. That is what I find very difficult to comprehend, is if you really want to stimulate the economy, then you would put it in the hands of those individuals that would, as soon as they get it, spend it. There is no doubt that these are the type of individuals that would go out there and buy a pair of shoes that they need, buy additional groceries they might need, that would be getting additional items for the house.

These are not people that are going to receive \$400 and, like the wealthiest and others who are going to receive a lot more, that will just decide to keep it there and not spend it.

So we question this, and I think all the economists do, and I was even looking, prior to this, even Greenspan talked about the fact that he did not think it was a good idea to do this. Yet the administration chose to go and do that anyway.

So I think our economy is in deep trouble, and I do not foresee it getting any better. In fact, I was trying to figure out why would they be doing that. The only thing I can figure out, at a time when we are at war, that they are really basically wanting to put us on a real spot in terms of some of the programs, and it does put us in trouble funding the educational programs that are needed, the health care needs of our constituencies and our seniors, the needs in terms of our Medicare and Social Security recipients. Because I know that there is a real push there to try to privatize Social Security, and I know there are investment bankers that are looking to get their hands into that.

So that really concerns me, that there might be other motives involved in the process.

Mr. PALLONE. If I could ask the gentleman to yield further, there are so many levels on which you can point out this Republican tax bill really does not make any sense.

First of all, it is the idea, as the gentleman said, where the gentleman suggested this is all deficit spending. None of this money is there in the Treasury. This is all deficit spending, and it is borrowed from Social Security and Medicare trust funds primarily. So it jeopardizes our retirement and health funds for our seniors in the future.

In addition to that, by putting the Federal Government further into debt, you put an even greater drain than the economy. So there is nothing at that level that would help the economy.

Then, as the gentleman points out, if you are primarily giving this money back to high-income wage earners or people, it is not even wage earners, because a lot is going for the stock dividends, people that in many cases are investing in the stock market. We have nothing in the bill and certainly the Republicans were not going to suggest we were going to put anything in the bill that would say those people have to reinvest the money in the economy. They could easily go and invest it abroad, for all we know. We have no reason to believe those kinds of investments by high-income individuals are necessarily going to lead to any kind of job creation.

But then you get to the unfairness in terms of leaving these people out. To me it is just amazing.

I just wanted to say one thing, and that is that in yesterday's Washington Post they had the editorial many of us have read tonight that says "Children Left Behind." But the one thing it really does is totally belie the idea that somehow the Republicans in either House or the President overlooked this with this child tax credit, because the Washington Post editorial says:

Stiffing these children was not a last-minute oversight or the unfortunate result of an unreasonably tight ceiling. Adjustments had to be made, a spokeswoman for the House Committee on Ways and Means said, as if those on her side would have preferred otherwise.

In fact, the administration didn't include the provision in its original proposal, the House didn't include it in its version and the Senate Finance Committee didn't include it in its original package.

□ 2045

The only reason there was something in here to provide this tax credit for these people between \$10,000 and \$20,000 was because BLANCHE LAMBERT LINCOLN, a Democratic Senator, a former Member, former colleague here in the House, insisted that it be put in on the Senate side; but then of course the Republicans took it out. So for anybody to say that they did not know what they were doing, it is purposeless.

Mr. RODRIGUEZ. They knew full well, because they had initially sub-

mitted the over-\$700 billion tax cut, and then they settled on that other.

But what concerns me is that in the process of having this so-called oversight, I am wondering how many other oversights we might have that we are still not aware of.

I know that there were a lot of special interests out here walking the halls and looking at loopholes they were looking for in terms of their own special interests, so I am just concerned about what other oversights we might have for some of those special interests that were roaming the halls during that time that were looking at that tax cut.

It really bothers me, and also in a way it kind of irritates me to think that someone would stoop to that low a level not to consider these individuals that are hardworking Americans that are out there making \$26,000 or less, but still hardworking. So would their kids not qualify for that child credit while someone else's would? It is incomprehensible.

Mr. PALLONE. Mr. Speaker, I think that Senator LINCOLN said that half the people in her State fell into that category. In New Jersey the average income is higher than that, obviously, but there are still going to be people in my district that are not going to get the credit, there is no question.

Mr. RODRIGUEZ. In my district, it is even more than half. My median income is about \$22,000, so more than half of my constituency is not going to benefit from that. Yet we see the data in terms of those that are making \$1 million, how much of the hundreds of thousands they are going to be benefiting from, not to mention in terms of their investments.

So this is no way in terms of stimulating the economy, and this is no way in terms of being responsible. At a time when we are at war, we ought to be paying for the war at the present time. We are not. Not only are we asking our young people to go fight the war and go defend this country, and they are ready to do that, but we are asking them to pay for it and getting their kids to pay for the debt in the future. That is not right, and that is not American.

So we need to continue to talk about these issues. I know that the gentleman works real hard on health care, and I know the gentleman wants to find a solution to health care. The gentleman is the type of elected official and public servant that comes out here to seek solutions to the problems that confront us.

Mr. PALLONE. If the gentleman will yield, the problem we are going to have now is with the second wave of Republican tax cuts. They are talking about even more. So much is being borrowed from the Medicare trust fund, and it is going to put it in such jeopardy for the future that it is just going to be that much more difficult to provide any expansion for Medicare, like a prescription drug benefit, for example.

I am really fearful that what we are going to see in the next few weeks that

the Republican leadership is going to come here and say, now that we do not have any money in the Medicare trust fund, we are going to have to start coming up with innovative ways of saving dollars.

That is when they start talking about vouchers and telling seniors that they have to take a voucher and go out and buy their own health insurance and privatizing Medicare, with the excuse that there is not the money left in the future. The reason the money is being drained is because of these tax cuts.

Mr. RODRIGUEZ. Exactly. And I think that as we look at especially next year, which is an election year, I can already see the administration going out there. I would like to see what he is going to be saying, responding to the fact that he promised our seniors a prescription drug coverage, and we still have not seen one that is a responsive approach.

I would like to hear what he is going to be saying when he talks about the quality of care in this country, when we have one of the best care systems in the world; and yet it is not affordable, and it is not accessible. I can already see them blaming the debt on the economy, when in reality they have created the economy and they have created it with irresponsible tax cuts.

Mr. PALLONE. They are already talking about a prescription drug plan that forces seniors, if they want any kind of prescription drug plan, to go into an HMO or some kind of private organization. It is a measly benefit even if you opt to do that. The reason is because they do not have the money because of all these tax cuts.

Mr. RODRIGUEZ. The reality was that their first priority was the tax cut their first year, and this year, and possibly next year. Their priority is the tax cut. After the tax cut and after the budget is gone, there is no need to talk about anything else, because that is the priority. It was not about solving the problems on education, solving the problems of our seniors in Medicare and the problems we were encountering there, solving the difficulties of prescription drug coverage; but it was all about tax cuts, which tells me that their priorities are not in terms of solving problems out there, but to basically look in terms of how they can benefit those that provided for their campaigns, the wealthiest of this country.

Mr. PALLONE. I want to thank the gentleman for all that he did tonight. I notice that the leader joined him at one point, and we had a number of Members who did the 5-minute Special Orders on this issue of the child tax credit.

Again, it is not because we want to beat up on our colleagues on the other side. This bill has already passed. But I think we have to point out the shortcomings of this legislation, because it is, as the gentleman says, the foundation for the whole Republican agenda here in this Congress.

It is going to wreak havoc, I think, not only with the economy, but with any kind of effort to provide for health care or shore up Social Security or any of the other things that I think are so important domestically for this country. I just want to thank the gentleman.

Mr. RODRIGUEZ. Mr. Speaker, I thank the gentleman for coming out here tonight. I want to thank the gentleman from New Jersey (Mr. PALLONE) for being here with me tonight. I want to also thank the leader for being here tonight.

Let me share a couple of statistics that I have. One of the things that I would like to share with Members is just some data out there. The total job loss since President Bush took office has risen to a staggering 2.5 million private jobs, while cutting taxes for the rich and not extending the unemployment insurance.

The median Hispanic household, I will share that, being chairman of the Congressional Hispanic Caucus, will receive about \$30 as a result of the Bush tax cut, \$30, in comparison to the others.

So we have some real startling statistics that basically reflect that the reality is that this tax cut is a real irresponsible tax cut when there is no money there, when we are not paying down our debt. It just does not make any sense for us to be doing that.

I also wanted to share that at the same time that we are deciding to make the tax cut we are not being responsible in meeting the needs of our veterans, meeting the needs of our seniors in prescription drug coverage, or meeting the needs of Medicare. I am just going to wait and see what this President says when he is coming up for reelection next year.

Today, and I want to share with the Members, because we had an opportunity to hear some testimony in our Committee on Veterans Affairs from Dr. Wilensky, who did a report. She assured, or indicated, that the reality was that the present situation "is not acceptable," referring to our veterans programs.

One of the realities with our veterans programs is that depending on where they live throughout this country, they might not have access to the quality care that is available in other areas of the country, so we have what we call disproportionate forms of care in the VA. There is a real need for us to provide additional resources.

This particular report talked about the fact that the VA had not prioritized and was not meeting the needs of our veterans, because at this particular time our veterans, those World War II veterans and Korean War veterans and our Vietnam veterans, are reaching that age where they need us. The demographics show that there is a need for us to come up to the plate and be able to provide those resources. Instead of doing that, we are just doing the opposite, not coming up to the

plate, cutting taxes instead of putting those resources with our veterans where they need it the most.

I also want to share that we are also beginning to cut our nursing home care for veterans and put caps on that. We continue to have problems with homeless veterans, which is an atrocious situation that we ought to be working to solve. Instead of the tax cuts, we ought to be considering that. In fact, instead of providing the \$2 billion for health care for the Iraqi people, we ought to be looking at those \$2 billion for our veterans services.

When veterans are out there fighting and defending our country, a lot of them will suffer from post-traumatic stress disorders. Even New Yorkers and the people in the Pentagon and throughout this country after the terrorist attack, we really need to look at resources in the area of health to help these people cope with post-traumatic stress disorders.

I would attest that especially for the people at the Pentagon and the people in New York, there is a real need for us to reach out to them. I know that a lot of them might be going through nightmares and those characteristics of what later on might be defined as post-traumatic stress disorder. So we cannot take that lightly.

Events such as this, and our soldiers as they encounter and get engaged in Iraq and Afghanistan and elsewhere throughout this world, they will suffer from those engagements in a lot of different ways. We have to be there for them, and we have not done that.

When it comes to homeland defense, we could easily have put some resources there that would have created and helped stimulate the economy, because our States are hurting. We need money in homeland defense. Our first defense is going to be those local firemen out there throughout this country, those local policemen throughout this country, those local health care providers throughout this country. I think it is important that we provide them with the access resources they need.

Homeland defense also has needs, especially the Coast Guard. We have been negligent in not being responsive with our Coast Guard. They need additional resources. The INS and the Customs people also.

One of the things terrorists would want to do is not only instill fear in us, but also create a problem in our economy. We have to create a balance between security and trade. I represent the Mexican border, and we have to make sure that we continue to have trade. That becomes important.

#### ECONOMIC STIMULUS AND SENSIBLE FOREST MANAGEMENT AND LAND USE

The SPEAKER pro tempore (Mr. BURGESS). Under the Speaker's announced policy of January 7, 2003, the gentleman from Colorado (Mr.

MCINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. MCINNIS. Mr. Speaker, I have been waiting now for about an hour, an hour and a half, reading back there and waiting for my turn, and have been witness to this constant pounding by the Democratic side of the aisle, taking cheap shot after cheap shot about the tax cut that, by the way, some of the Democrats supported; but even their leader came over here to take some cheap shots on this tax bill.

I am telling the Members, we have an economy that needs some stimulation. We have got to go out to the people that earn that money. The government does not earn this money. Contrary to what the Democratic leadership would like us to believe, we are not automatically entitled to the workers' monies in this country. This is not a Communist-type of country; this is not a socialistic-type of country, where we take money from people and make sure that no matter who works the hardest, it is of no consequence.

It is distribution of the money that is of consequence in a socialistic country. In other words, everybody is treated absolutely equal. There is no incentive for people to go out and work hard.

It is amazing to me that Democrat after Democrat has been up here at this microphone, and of course there is no time allowed for rebuttal until I now have the microphone. But for the last hour and a half, Democrat after Democrat has stood up here and said, gee, this tax cut did not go far enough. We need to include this group of people, even though they did not pay taxes. We do not want to exactly call it a welfare program, which is what it is. That may be appropriate under certain circumstances.

But all they want to do, they are saying, well, we need to expand it to this particular group of people. And then, mark my word, we may see even yet this evening or tomorrow, we will see them out here talking on the floor being exactly contradictory to that, speaking in a hypothetical-type of approach saying, gosh, look at what the Republicans have done to the deficit. Look at what the Republicans have done to the deficit.

□ 2100

The fact is the Democratic Party in general has never seen a tax cut that they support. The Democratic Party here as witnessed in the last hour, and I am not attempting here to get up here and engage in a partisan debate, but somebody has to stand up and speak for the other side. Somebody has got to stand up and speak for the moderates and the conservatives for the middle-income families in this country for the people out there that are working.

Remember when you distribute money, when this government takes money and especially when this government takes money and gives that money to people who are not working,